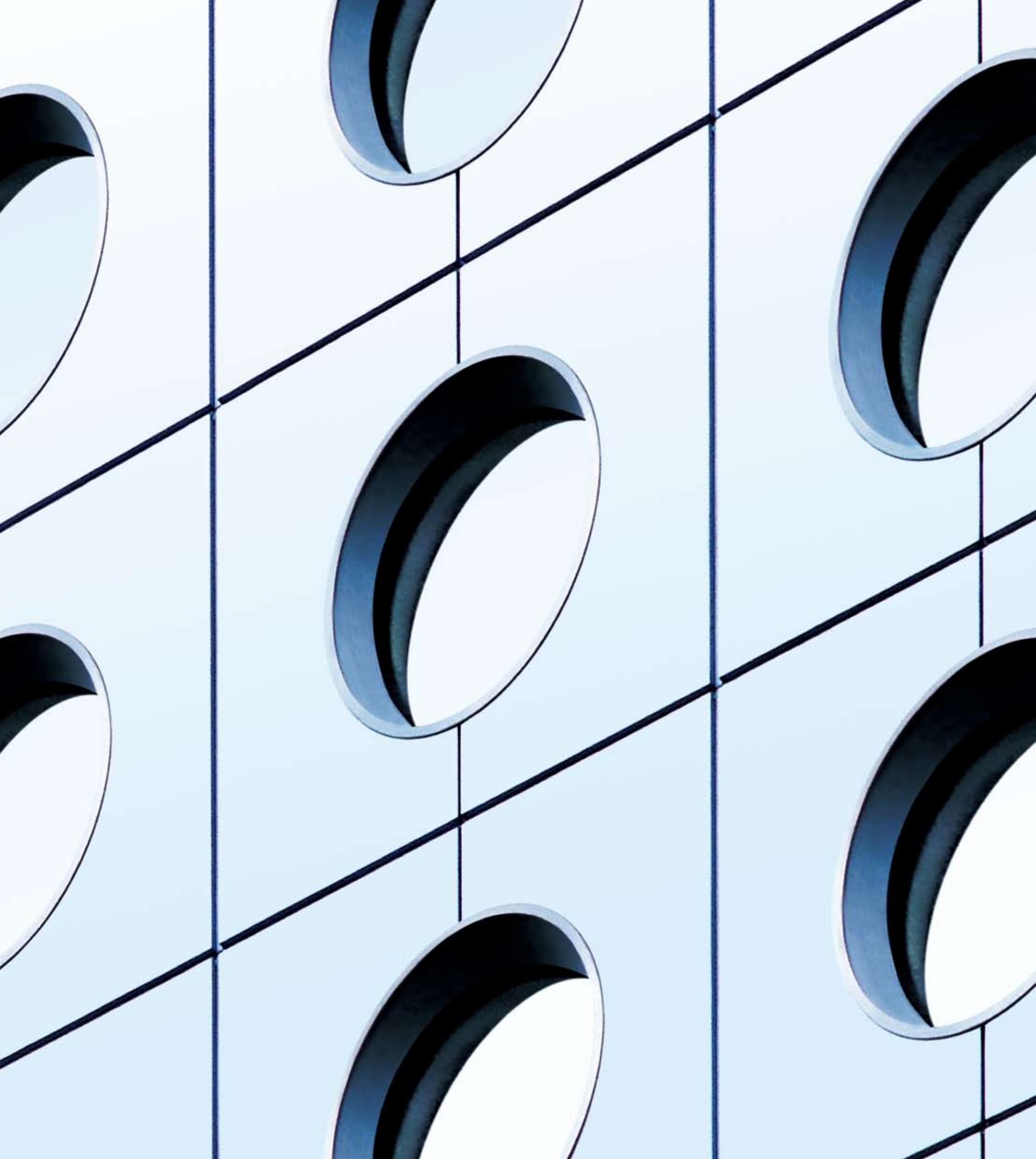


175 Years of Looking to The Future



Jardines



Merchant Adventurers	5
Great Foresight and Market Knowledge	9
Independent Spirit	13
Courageous and Determined	17
Further Transformation and Innovation...	23
Calculated Risk Takers	27
Looking Ahead	31
A Market Leader Today	33
Timeline	38

Contents

An Enterprising Spirit

175 years ago, William Jardine and James Matheson formed a trading partnership that was to become one of the most successful, long lasting, diversified enterprises in Asia. The success of Jardine Matheson has been due in no small part to its unique character, which to this day clearly reflects many of the personal traits of the founders.

Not only did the two founding Scotsmen, one highlander and one lowlander, instil an enterprising spirit into their newly created trading venture in 1832, but also qualities such as a strong work ethic, an independent spirit, financial prudence, business foresight, determination and the understanding of the need to build strong relationships in business. Over the years, these qualities have helped those working for Jardines overcome many challenges and consolidate its position in Asia.

There has been a constant evolution in the nature of the business interests of Jardine Matheson, or 'the Firm' as it has been affectionately known for most of its existence. Its business activities have kept pace with the times during its long history as new opportunities were sought when the profitability of older ventures waned.

Today, Jardines' businesses are at the forefront of their chosen markets. They include property investment and development, luxury hotels, retail, motor vehicles, financial services and insurance, engineering and construction, agribusiness, mining, restaurants and IT services. The Group is active principally in the markets of Asia, although some operations have a greater international reach, and it employs over 230,000 people.

To mark our 175th anniversary, this review has been prepared for those who work within the Group. It highlights key events that help demonstrate the role that the Firm's character has had in shaping its destiny and illustrates the wide diversity of the Group today. It does not try to cover the full range of Jardines' extensive activities over its long history, but is intended to provide an understanding of who we are.

We can all be proud to be part of a unique Group that has achieved so much, and look forward with confidence to creating its future.

Anthony Nightingale

Managing Director
Jardine Matheson

November 2007





怡和

The Firm's Chinese name, EWO, which means 'happy harmony' was more widely used in Shanghai and the north, and was only adopted formally in Hong Kong in 1958.

Merchant Adventurers

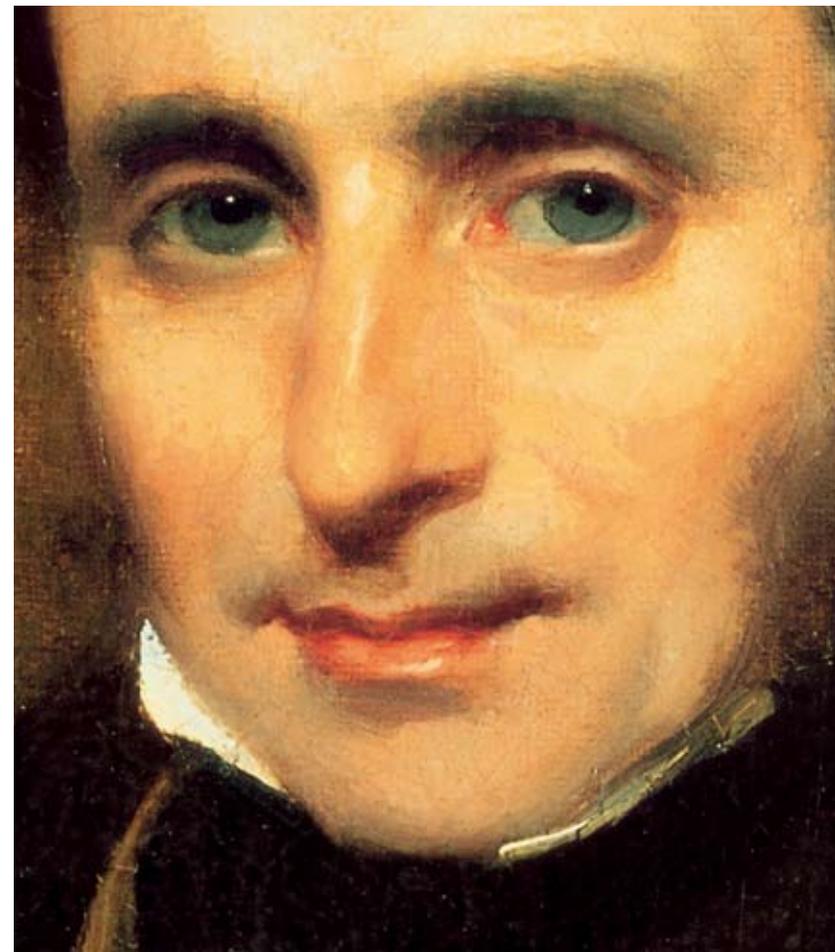
William Jardine and James Matheson created an enterprise that was to withstand the test of time.

Merchant Adventurers



William Jardine

It was said that he allowed only one chair in his office as business was conducted standing so as to be dealt with as quickly as possible. Once at the Petition Gate in Canton he was clubbed on the head from behind and did not so much as turn round, after which he was known among the Chinese as 'iron-headed old rat', a name he rather enjoyed.



James Matheson

A more volatile temperament than his partner and enthusiastic about new ideas. A keen reader (he bought Morrison's Grammar of the Chinese Language and his Chinese dictionary), and founded the first English-language newsheet in China – the Canton Register.

Who were William Jardine and James Matheson?

They both had successful careers as merchants before they decided to join forces and establish the partnership, Jardine, Matheson & Co in 1832. They had great mutual respect for each other's abilities, but their styles and personalities were different.

William Jardine was born in 1784 in the Scottish lowlands and graduated from Edinburgh University with a degree in medicine. In 1803, at the age of 19, he became a surgeon on the ships of the East India Company working the trading routes between London, China and India; a position he held for the next 14 years. As a senior ship's officer he was allocated an amount of cargo space enabling him to trade privately in a small way, and in so doing developed a keen sense of what commodities sold well.

He was a diligent, rather austere, hard working man with an eye for detail and a huge intellect. A man of few words, he hated humbug and idleness and often worked long hours, expecting those working with him to do the same. William Jardine set up in Canton as a free merchant in 1822 and later, in 1828, joined Magniac & Co, which was the forerunner to Jardines.

James Matheson was born in 1796 in the Scottish highlands and also attended Edinburgh University. In 1815 he began work as a free merchant in Calcutta at his uncle's Agency House, trading goods and services between different markets and communities.

Three years later, and still only 22, Matheson set sail for China determined to take advantage of the opportunities he saw in the rapidly expanding Indian export market. He quickly became known as one of the most inventive foreign traders in Canton as a partner within the firm Yrissari & Co, one of the five principal Agency Houses in China at the time, branching out into trade with

many different countries. He, like Jardine, was hard working and single-minded about success, but he was recognized more as a creative, freethinker with strong communication skills.

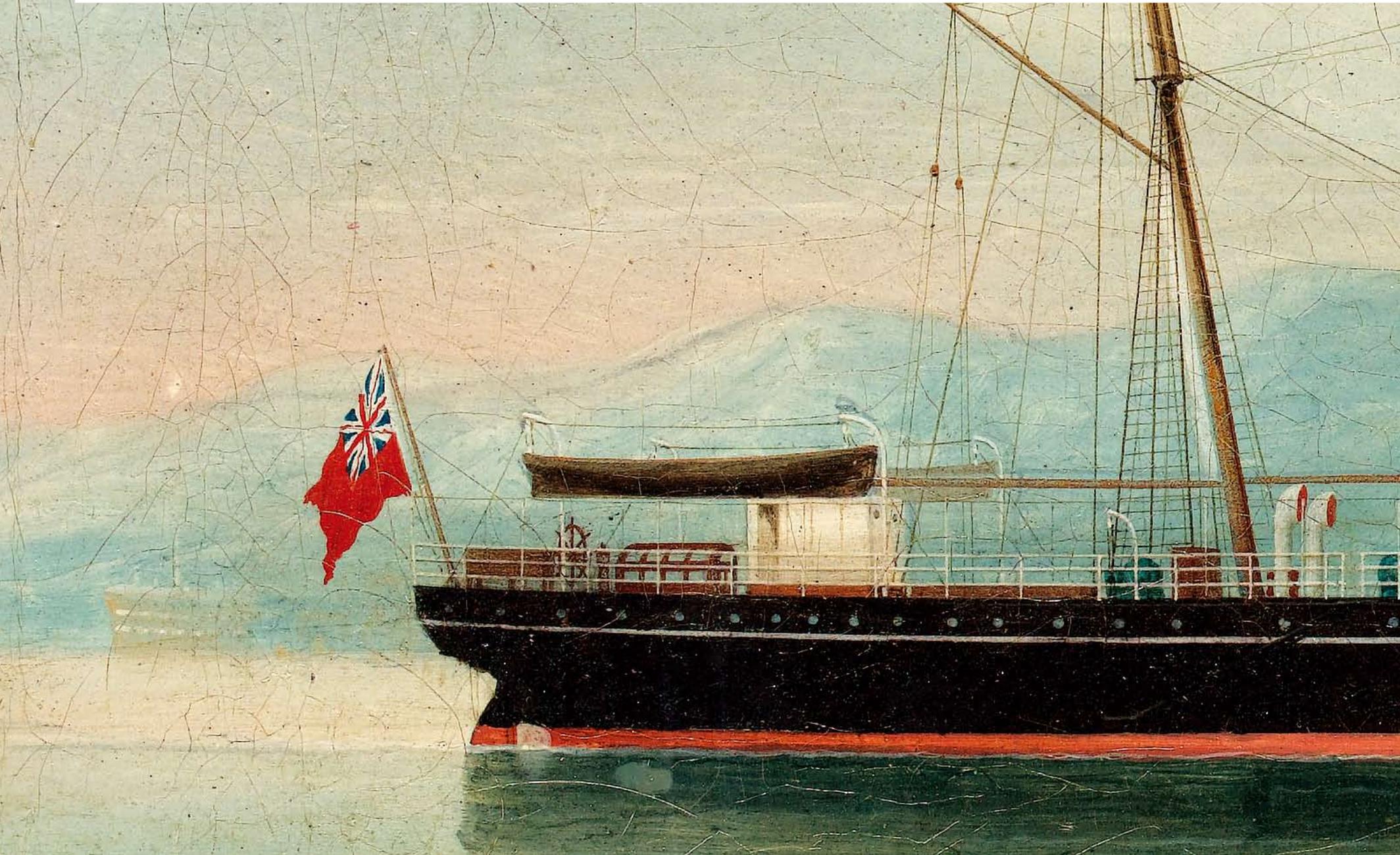
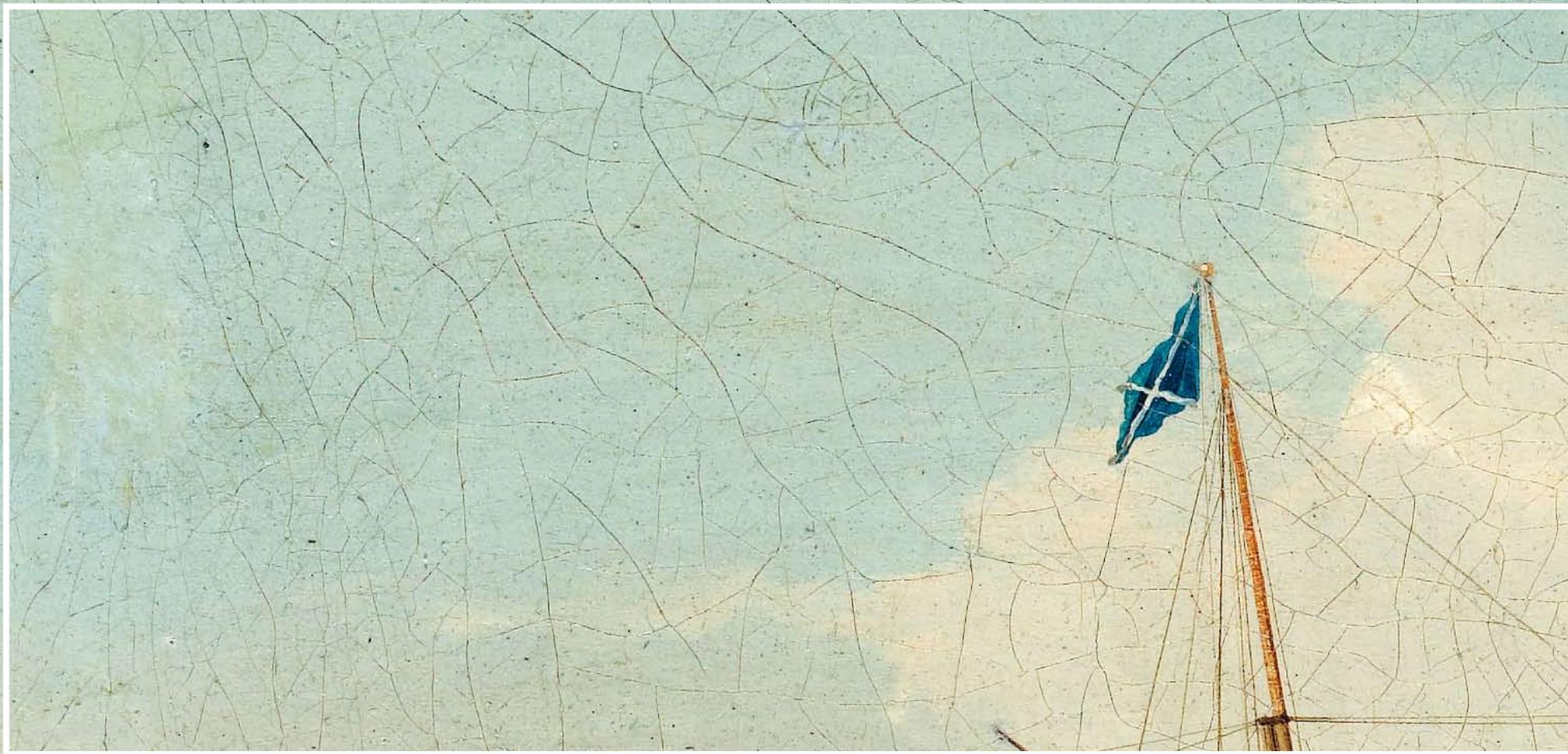
It was only after both men found themselves without business partners that they sought each other out. Matheson's enthusiasm and imaginative flair complemented the patient determination and application of the older Jardine.

Jardine, Matheson & Co opened for trading in Canton on 1st July 1832.

Both founders brought important relationships and business contacts to the new enterprise, all of which were valued as they were considered essential for the success of the Firm.

One striking example of a special relationship that Jardine and Matheson formed was with Jamsetjee Jejeebhoy, an independent Parsee merchant from Bombay. William Jardine had first met him in 1805 when they had both been taken prisoner by the French after a British ship, on which they were sailing, had been captured during hostilities between the two countries. In the decade between 1830 and 1840 the trading relationship with Jamsetjee Jejeebhoy proved beneficial to both parties.

William Jardine and James Matheson created an enterprise that was to withstand the test of time. They built strong relationships in business that set the standards which subsequent generations were to follow. They instilled a strong work ethic, an independent spirit, financial prudence, business foresight and a determination to succeed.



Great Foresight and Market Knowledge

We can often see further and sooner than
others in business...

James Matheson

Ahead of their Rivals

During the mid 1800s, tea, silks, cotton and opium were traded through different firms along the vast trade routes between China, India and Britain on sailing vessels and later steam ships. The times were tough and the competition was fierce. The huge East India Company had held a powerful monopoly on trade between England and the Far East until 1834, but even after the British government moved to end it, market conditions remained challenging with large numbers of private traders vying for business.

Yet William Jardine and James Matheson, being astute businessmen, were able to stay well ahead of their rivals. As James Matheson wrote in a letter in 1832:

“We can often see further and sooner than others in business...”

It was this foresight based on a depth of market knowledge that enabled the pair to take the lead in the export of many commodities.

After the ending of the East India Company’s monopoly, the Firm also moved quickly to ensure theirs was the first ‘free’ tea delivered to the docks of Glasgow, Hull and Liverpool. Beginning with only a few of their own small ships and chartering others, Jardines soon owned a large fleet of fast, handsome sailing clippers that could out-sail most competitors.

Tea became the Firm’s largest export from China as the popular fragrant drink became an everyday beverage in England. Jardines was the first company to engage an official ‘tea taster’ in China to ensure they had a greater understanding of the different varieties of tea, thus enabling them to command the best prices.

New trade routes and different technology brought changes to the business in the second half of the century. Matheson had long been fascinated by the idea of steam propulsion and the Firm quickly embraced steam power when it became available. They proudly took delivery of the first of many steam ships, the ‘Jardine’, in 1835 and stayed one step ahead of their rivals.



Built in India by the enterprising Captain Clifton to the plans of an American privateer, barque-rigged and close-hauled to beat to Canton and back against the monsoon winds, Red Rover made her first round trip from Calcutta to Canton in an astonishing 86 days and thus changed the tempo of the China trade. From 1833 Jardines owned half – and later all – of her.



Jardine Matheson built ‘godowns’ as their first proper buildings at East Point in Hong Kong. As in Venice, the merchants lived over their cargoes stored in warehouses below.

The ceding of Hong Kong to Britain under the Treaty of Nanking in 1842 provided a unique opportunity for Jardines. It enabled the Firm to buy one of the first blocks of land in the new colony of Hong Kong and develop a foothold in a city that would play a key role in Jardines' future. As historian Jack Beeching commented:

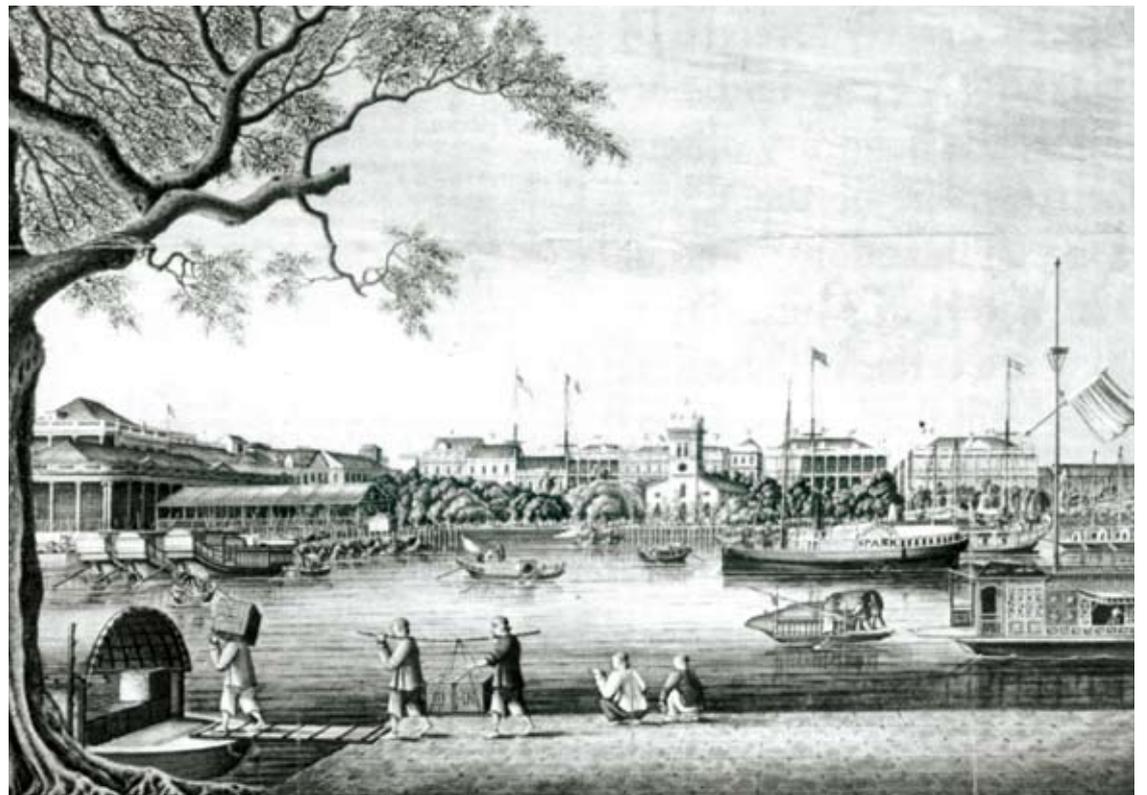
"One man who immediately saw Hong Kong's potential was James Matheson. He moved the firm's headquarters there in 1841 and immediately began to build a large stone godown (warehouse) as solid as a fortress"

The Firm has engendered a great sense of pride and belonging for many that have had the opportunity to work within it. Sir Robert Ho Tung, one of Jardines' most famous compradors, had a relationship with the Firm that lasted nearly 70 years. A comprador was the Chinese manager of a foreign firm in China. Sir Robert, however, was also a businessman in his own right with a large network of contacts. He was a great philanthropist, and was held in high respect around the world receiving many honours and awards.

Sir Robert worked for Jardines for 20 years, and afterwards remained a close adviser to generations of leaders at the Firm. In 1938 the famous 'grand old man' was quoted as saying:

"Jardines, or 'the Princely House'... has become so much a part of my commercial life that I share the same sense of pride that every member of the Firm still feels when the name Jardines is mentioned."

I have had the privilege of sharing in the creation of a vast network of business connections and seeing the growth and expansion of the Firm as it has become an outstanding business organization."



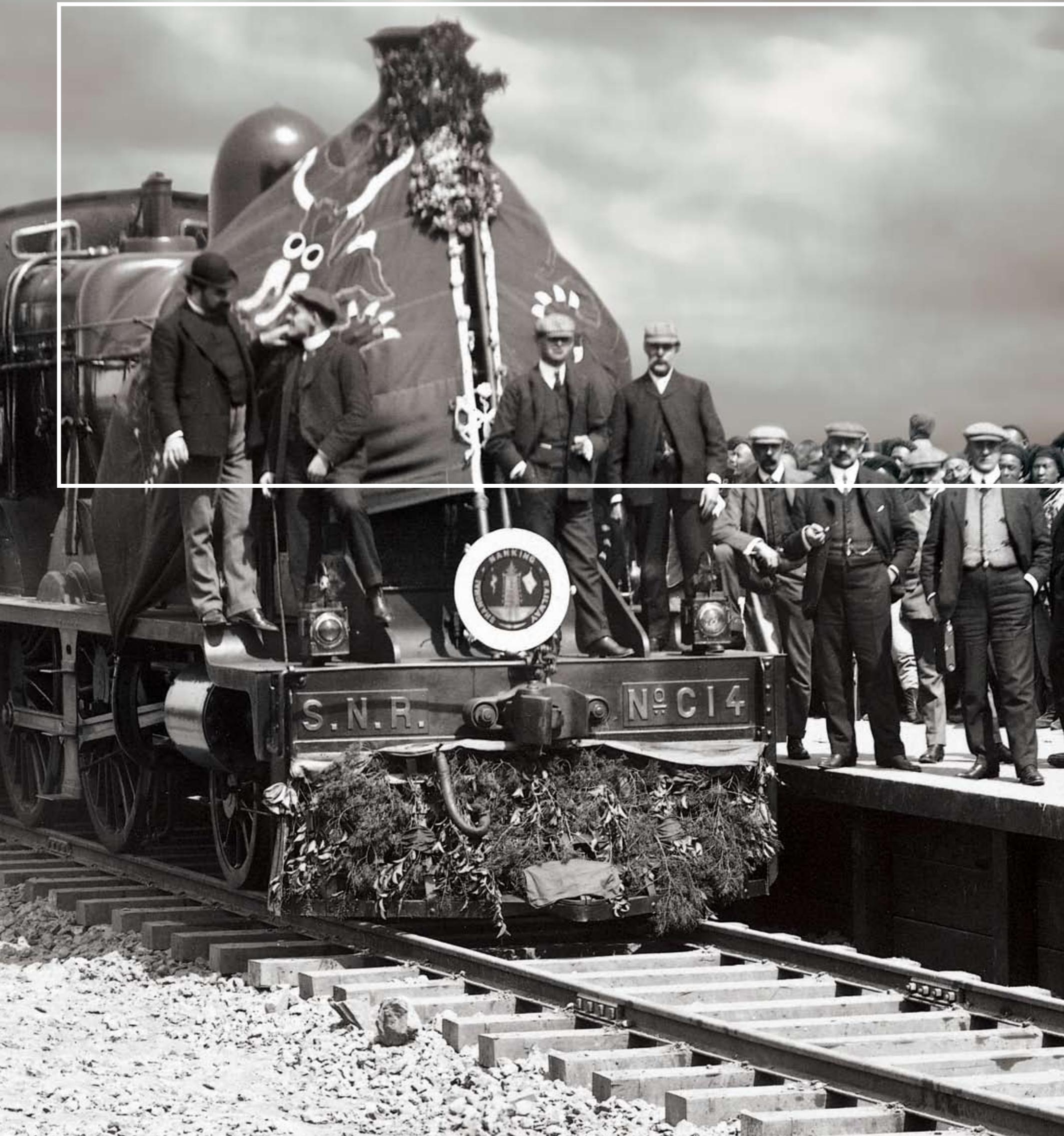
Here, opposite the Canton hong where the Firm had its offices at No. 4, the Creek, tea is loaded on to a small boat for transport to the ships waiting at Whampoa.



Sir Robert Ho Tung joined the Firm as a clerk in the Chinese Shipping Office in 1880, and had worked in every department by 1900. His relationship with the Firm spanned nearly 70 years.



These Jardines staff are posing carefully in the fine old gardens of Soochow near Shanghai. As the Firm had no office in Soochow, an important silk centre, perhaps it was an office outing, hence the children and the photograph to record it.



Independent Spirit

One of the features in Jardines' history is not only a remarkable power to adapt to changing circumstances, and so often be ahead of its rivals, but also a great persistence over long-term projects in which it had confidence.

James Blake

Dramatic Change and Advance



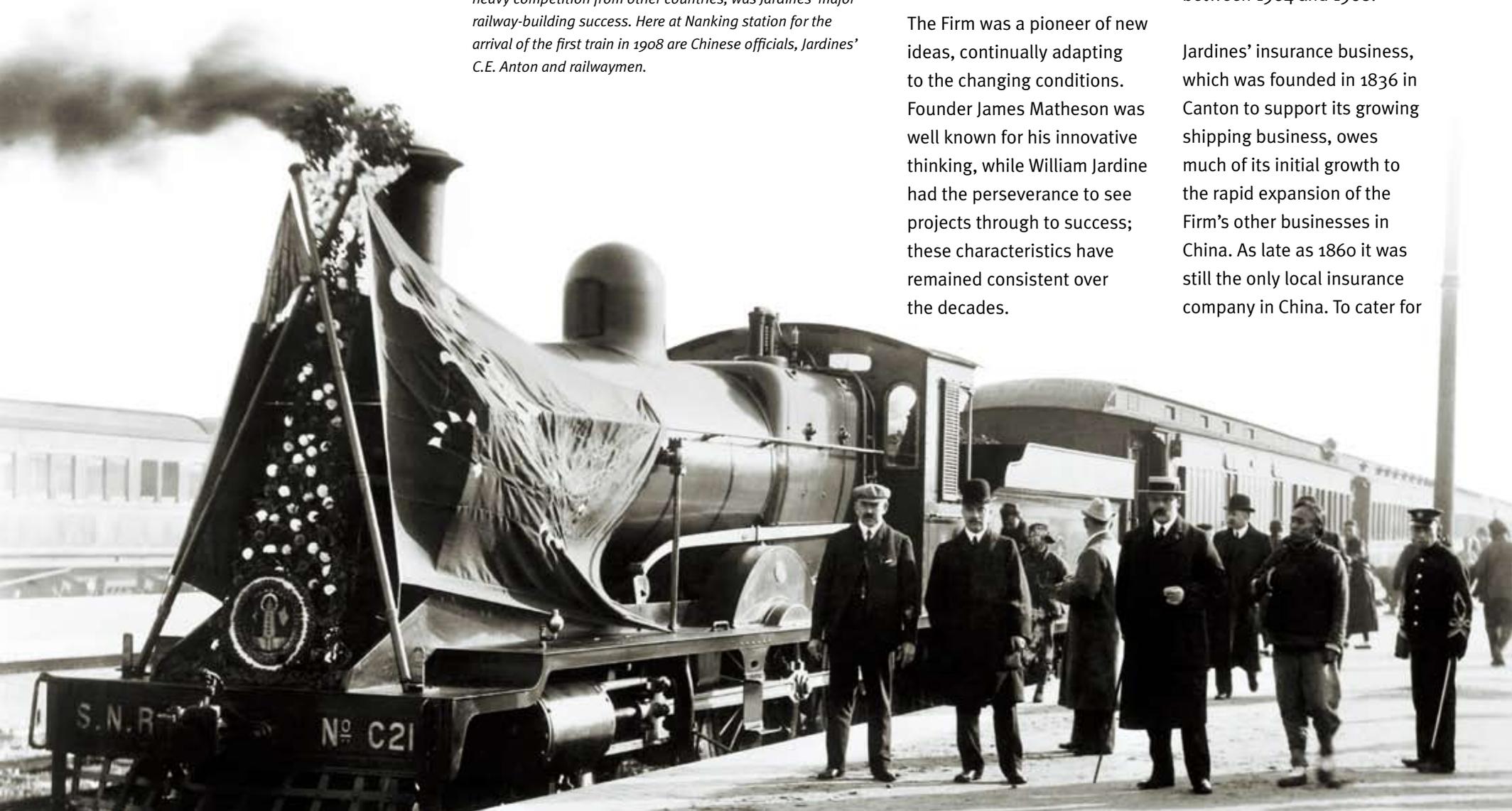
The Shanghai-Nanking line, built between 1904 and 1908 and financed through the British and Chinese Corporation against heavy competition from other countries, was Jardines' major railway-building success. Here at Nanking station for the arrival of the first train in 1908 are Chinese officials, Jardines' C.E. Anton and railwaymen.

Jardines' activities underwent a dramatic transformation in the nineteenth century from an Agency House acting for principals, to a more diversified business. It traded in a wide variety of imports and exports, promoted railways and other much needed infrastructure projects in China, and founded banks and insurance companies as the country modernized.

The Firm was a pioneer of new ideas, continually adapting to the changing conditions. Founder James Matheson was well known for his innovative thinking, while William Jardine had the perseverance to see projects through to success; these characteristics have remained consistent over the decades.

For example, the Firm was convinced that railways were going to be important in China's development. It lobbied and worked with the government for many years to open a railway system, facing a fair amount of resistance. Jardines constructed the first railway line in China from Shanghai to Woosung in 1876, followed later by the much larger Shanghai-Nanking line between 1904 and 1908.

Jardines' insurance business, which was founded in 1836 in Canton to support its growing shipping business, owes much of its initial growth to the rapid expansion of the Firm's other businesses in China. As late as 1860 it was still the only local insurance company in China. To cater for





Jardine Engineering Corporation's head office in Shanghai in 1927.

clients travelling between Europe and the Far East, it had representation along the main steamer routes and at points on the Trans-Siberian Railway, including an agency in Moscow.

Jardines built textile mills in China with new imported machinery from Britain and then exported its products around the world. Industrialized operations and a large network of wharves and warehouses in large ports meant Jardines remained a leading company in China in the first half of the twentieth century.

The founding of Jardine Engineering Corporation in 1923 is an example of the ability of the Firm to nurture new enterprises to form larger businesses – as it has also done with many other ventures over the years. The corporation was formed out of the engineering department of the Firm and was a major force for innovation and change then, as it is now. It installed the first lift in China in 1930; pioneered ammonia-type air conditioners and new types of heating and sanitation; and even provided the vault doors of the 1935 headquarters of The Hongkong and Shanghai Banking Corporation.

Historian James Blake wrote of the Firm:

“One of the features in Jardines’ history is not only a remarkable power to adapt to changing circumstances, and so often be ahead of its rivals, but also a great persistence over long-term projects in which it had confidence”

These pioneering features remain characteristic of Jardines today in the twenty-first century.

Jardines’ first modern press packing machine greatly increased the Firm’s business in hides and skins from North and West China, most of which were destined for America for furnishings.



Staff in the Hankow office of Jardine, Matheson & Co in the late 1920s.



One of the fleet of motor transport lorries outside Jardines’ tung oil installation at Hankow.



Courageous and Determined

These were difficult and hard years, but
the spirit of the Firm stayed high.

Sir John Keswick

Surviving the Hard Times



Sir John Keswick first joined the Firm in 1929, following in the steps of his brother, father and grandfather.

Jardines has survived many difficult and challenging periods in its history. Unrest and conflict in China in the 1930s, the Second World War from 1939 to 1945 and the Communist revolution in China of 1949 marked great turmoil in the region. They created great challenges that the Firm was forced to address and overcome.

Sir John Keswick, a great, great, nephew of William Jardine, joined the Firm after university and worked first in England and the United States. He moved to Shanghai in 1931,

the location of Jardines' head office from 1912. He became a fluent Chinese speaker, and had a passion for the country where he developed strong relationships and networks that would prove invaluable for many years. In his personal memoirs, however, he provides a vivid account of the real dangers faced by the Firm's staff in Shanghai in the late 1930s:

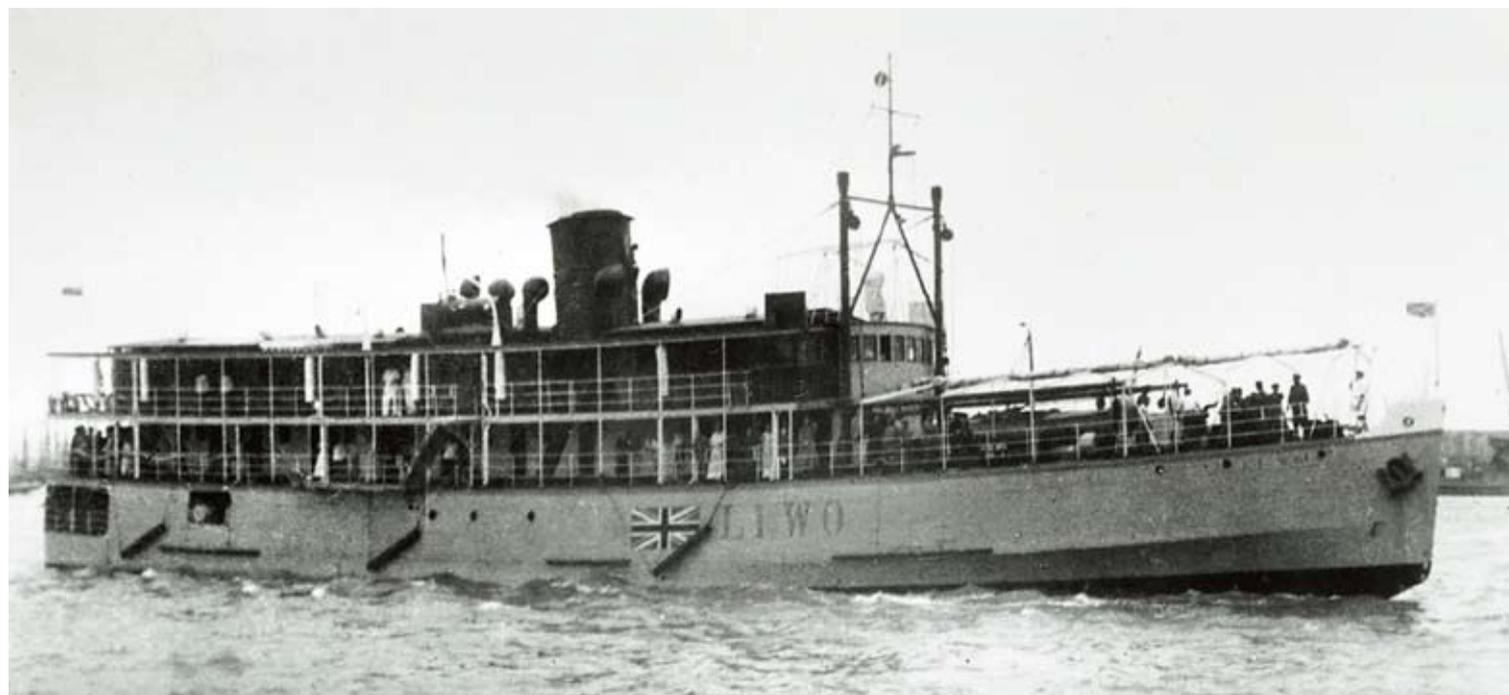
"By 1937 Japan began to advance into China, and the International Settlement in Shanghai found itself surrounded by warring armies. We were caught in the crossfire, shaken by bombs falling on the city and on the Japanese warships lying in the harbour outside our offices. ... We carried on trade as best we could. From Scotland my mother cabled 'I am very worried about you'. I answered, 'I am very worried about myself'."



Jardines' staff in Shanghai joined a wide range of Volunteer Corps to help protect the settlements in the troubled years leading up to Japan's entry into the Second World War. (The Firm's sandbagged main office on the Bund can be seen on page 16)



Lieutenant Wilkinson, captain of Liwo.



The little Jardines' ship Liwo, built by the Hong Kong and Whampoa Dock Company in 1938, was requisitioned by the Royal Navy in 1940. She was sunk in an action off Singapore against superior Japanese forces, for which many of her crew received awards, including a posthumous Victoria Cross for her captain, Lieutenant Wilkinson, a Jardines (Indo-China) officer.



Stanley Camp where many civilians were interned in appalling conditions for three and a half years.

With Japan's entry into a rapidly expanding Second World War, the situation worsened for staff at Jardines. The offices were closed in mainland China and, on 25th December 1941, Hong Kong surrendered to the invading Japanese. Many of Jardines' staff were interned at the Stanley Camp on the south of Hong Kong Island or other camps in the Colony, while others were exiled in Macau, mainland China and elsewhere. The local Chinese staff struggled to survive in a dangerous, occupied Hong Kong.

Throughout the three harsh years of occupation, courage and determination sustained those interned at Stanley. The surviving Jardines staff said they would never forget the loyalty shown by Jardines' comprador, Henry Lo, and other members of Jardines' Chinese staff who provided help and support to the prisoners at great personal risk to themselves.

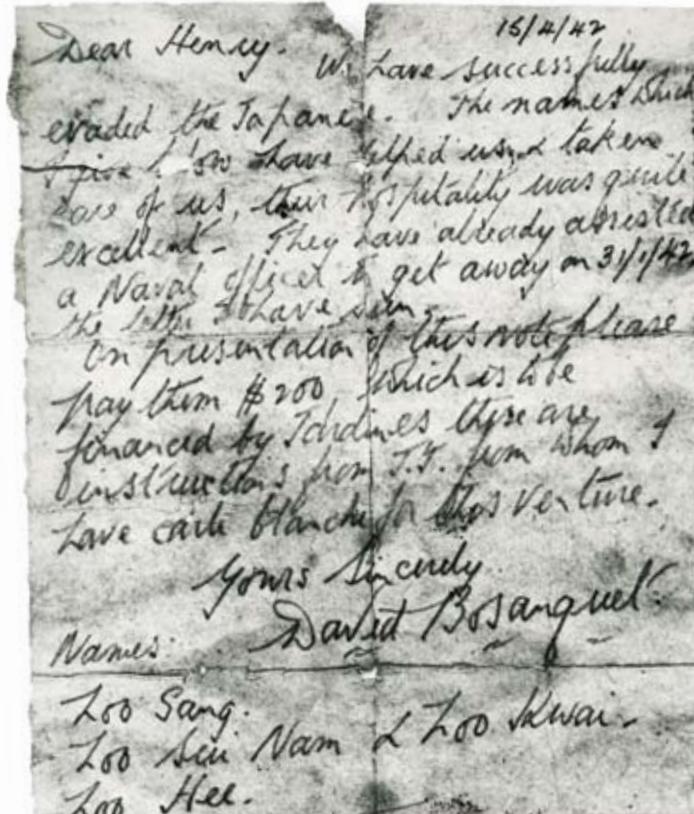
Second World War historian Oliver Lindsay praises D.L. Newbigging, a director of Jardines who was a prisoner at Stanley, for playing an important role in organizing

the prisoners in daily routines and ensuring a fair distribution of meagre food supplies. A prisoner of war who returned to Australia later wrote about Newbigging in a letter to the Firm in 1948:

"Nothing appeared to daunt his courage or reduce his dynamic energy. It is my firm belief that without his leadership many more of his fellow prisoners would have died"

It was Newbigging and others of the Jardines staff who walked from Stanley, ragged and emaciated, to thank those who had helped them, and to celebrate their freedom by re-opening the Firm's offices in Hong Kong as soon as they could.

The war years and their immediate aftermath demonstrated the strength, courage and determination of many at the Firm. William Jardine, although described by many as austere, was also recognized as a man who was 'generous with a great sense of gratitude'. Survival during these difficult years also highlighted a strong spirit of co-operation and generosity as people worked together to help one another.



In April 1942 David Bosanquet of Jardines escaped from Sham Shui Po P.O.W. camp in Kowloon. This note to the Firm's comprador, Henry Lo, was scribbled while hiding near Sai Kung in the New Territories, and honoured by Jardines after the war in 1945. Many Chinese staff in mainland China and Hong Kong ran great risks to help Jardines internees during the Japanese occupation.



After the fall of Hong Kong to the Japanese Imperial Army on 25th December 1941, expatriate civilians and soldiers were rounded up and taken to internment in Stanley Camp – south of Hong Kong Island, or P.O.W. camps elsewhere in the Colony.



Seeking
New
Opportunities





Further Transformation and Innovation...

The second half of the twentieth century brought with it a new period of prosperity and a transformation within Jardines.

New Trends, New Businesses

Between 1950 and 1980 Jardines underwent another period of dramatic transformation. Just as the nineteenth century had brought change with industrialization, the decades following the Second World War brought a new period of prosperity.

Jardines needed to seek new opportunities after its businesses, along with all other foreign firms in mainland China, were closed after the Communist government took control. In 1954 Jardines expanded into Southeast Asia through an investment in Henry

Waugh and Co with operations in Malaya, Singapore, Thailand and Borneo. Over the years the interests of the Group changed, but throughout the 1950s and 1960s it was heavily involved in trading, tin mining, rubber estates and other industrial operations in Southeast Asia.

In Hong Kong, to which Jardines' head office had returned, the Firm reflected the changes occurring in the city. The trading port was being transformed into an international business centre, and Jardines took advantage

of new opportunities that were being presented. It was at this time it sought a stock exchange listing.

Success at Jardines has always relied on an ability to read the market, identify trends and change accordingly. Dairy Farm recognized that people were demanding more shopping convenience as they worked longer hours in the busy city. In 1964 Dairy Farm acquired a fledgling supermarket chain, Wellcome, which was to develop into one of the most successful retail operations in Asia.



The acquisition of Wellcome by Dairy Farm created challenges of attracting middle class Chinese customers to a new way of shopping in European style supermarkets.



The first 7-Eleven was opened by Jardines in 1981, and later, under the ownership of Dairy Farm, the chain has expanded across Hong Kong.

Jardine House (then the Connaught Centre) was a bold landmark in Hong Kong when completed in 1973 as the first 'skyscraper' in Central.

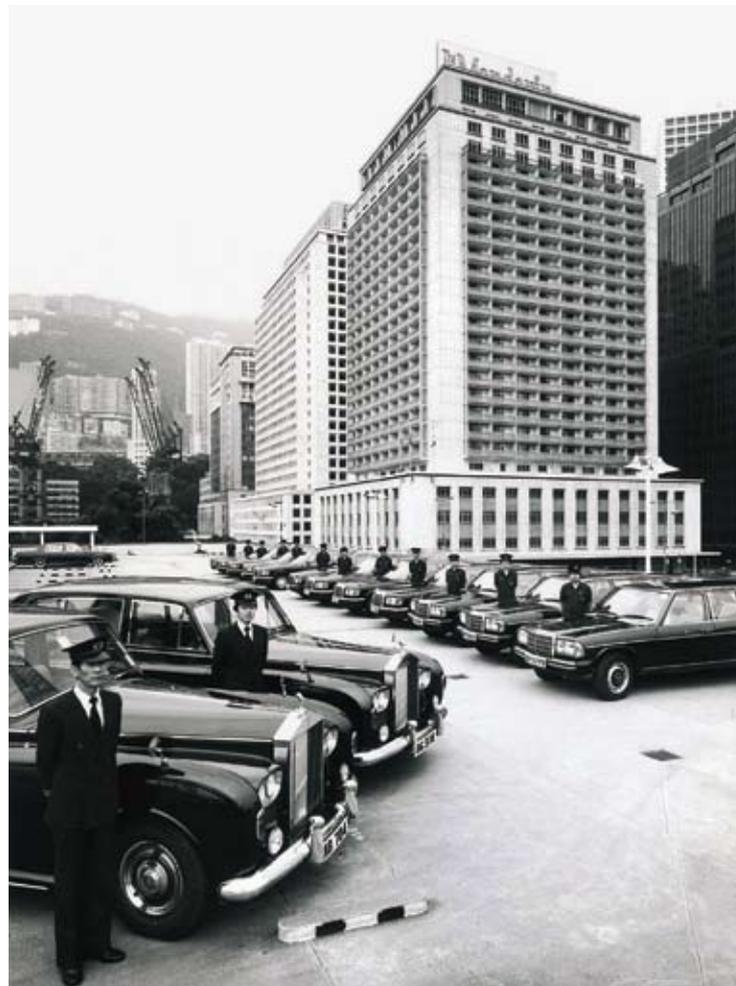


Elsewhere in the Group, Hongkong Land's chairman, Hugh Barton, inspired the opening in 1963 of the financial district's landmark five star hotel, The Mandarin, when he said that:

"The island needed one great hotel with the individuality that only the leaders of Hong Kong could give it..."



Jardine Fleming opened for business in Hong Kong in 1970 under the leadership of Peter Jamieson, a young merchant banker from London. From modest beginnings, Asia's first merchant bank soon made its mark across the region in the areas of fund management and corporate finance.



Opened in 1963, The Mandarin soon became a byword for impeccable service and elegance, and by 1967 was listed by Fortune Magazine as one of the 11 great hotels of the world alongside the Ritz in Paris and the Grand in Rome.



Gammon is Hong Kong's leading construction contractor responsible for a significant proportion of its commercial and residential buildings, bridges, container ports, tunnels, railways and roads.

By the beginning of the 1970s, the greater sophistication of Asia's financial markets and the increasing personal wealth, particularly in Hong Kong, led the Firm to seek opportunities in the financial services sector. Henry Keswick, the current Chairman of Jardine Matheson, had been in discussions with Robert Fleming & Co Ltd, a leading London merchant bank, and in 1970 they launched Hong Kong's first investment bank in a 50/50 partnership. It was called Jardine Fleming. Jardines' extensive relationships in Asia, coupled with Fleming's financial expertise, were a winning combination and one of Asia's most successful merchant banks was born.

The Firm also took advantage of the building boom in the city and acquired leading construction and civil engineering group Gammon Construction in 1975. It also diversified into the luxury car market by acquiring Zung Fu in the same year, recognizing there would be a demand for quality cars among the increasingly affluent population in the city.

1979 was an important year for the Firm because it was able to re-establish its presence in mainland China after an absence of more than 25 years. Jardines opened one of the first foreign representative offices in Beijing, quickly followed by Shanghai and Guangzhou.



The insatiable demand for Mercedes-Benz motor cars in Hong Kong was nurtured by Zung Fu, which acquired the distribution rights in 1954 and became part of the Group in 1975.



Calculated Risk Takers

There are always opportunities for those who dare to take the risks.

James Matheson

Creating Opportunities



William Jardine and James Matheson were not afraid to take calculated risks, and the Firm has continued to adopt this approach to the present day.



There is no better example than Jardines' move into Indonesia in 2000. When the rest of the world was still nervous about investing in Southeast Asia after the 1997 Asian financial crisis, Jardines saw an opportunity. It considered carefully the risks and, through Jardine Cycle & Carriage, began its long-term successful investment in leading Indonesian conglomerate, Astra International.



From humble beginnings, Astra has grown to become a substantial diversified business in Indonesia with a workforce of over 120,000 people. Its success is based on its stated values of being an asset to the nation; providing the best service to its customers; respecting individuals and promoting team work; and continually striving for excellence.



Astra, like Jardines, has a long and proud history. Founded by two brothers, its origins were as a small trading business. It, too, was built with an enterprising spirit, hard work and determination. Over the past 50 years, the business has been developed into Indonesia's premier motor manufacturer and distributor with significant interests in financial services, heavy



Hongkong Land has set new benchmarks in its joint-venture development of One Raffles Quay, which is recognized as Singapore's leading office building in the prime business district.



equipment and agribusiness. Jardines saw a great commonality of values with the management of Astra, and Astra is now just over 50% owned. Its acquisition proved an important one for Jardines, not only financially, but also by consolidating Jardines' presence in and commitment to Southeast Asia.

Mandarin Oriental embarked on an international programme of expansion when it acquired The Rafael Group in 2000 and gained important footholds in Europe and North America. It has taken the best elements of service and Oriental style and added contemporary design, signature restaurants and the latest technology to take its unique brand from its Asian heartland to new markets in Europe and the Americas. With further management contracts and selective investments, the group is building a network of award-winning hotels; the majority of which will be outside Asia.

South and Southeast Asia providing quality stores and excellent value tailored for each country's consumers. The locally styled 'Giant' hypermarkets were a key innovation in Southeast Asia and are an increasingly important element of Dairy Farm's growth strategy.

The contemporary style of Mandarin Oriental, New York and the elegance of Mandarin Oriental, Munich both contribute to the increasing recognition of the group's ability to provide many of the world's most desirable hotels; offering guests twenty-first century luxury combined with Oriental charm.



There are many other examples of Group companies taking calculated risks as they grow their businesses. Hongkong Land is bidding for new development sites around the region, and, in the process, is broadening its exposure to key Asian markets. It has successfully managed long lead times, market volatility and significant financial exposure.

Dairy Farm, too, has shown a clear ability to tackle and win business in new markets across mainland China,

The Group has faced many challenges and difficulties over the years – and not every investment has proven to be successful – but the fact that the Firm has survived and prospered for 175 years while successive competitors have fallen by the wayside would indicate that Jardines has had more than its fair share of success.

Dairy Farm is developing supermarkets, hypermarkets, health and beauty stores, convenience stores and home furnishing stores under a range of banners across Asia.





Looking Ahead

For 175 years Jardines has prospered in the good years, and has successfully weathered the bad times. The strength of character shown by William Jardine and James Matheson, and carried on by generations of managers and employees, has given the Firm a special place in history. The founders' legacy has been their enterprising spirit that has been nurtured by generations of partners and directors, a number of whom have family links to William Jardine. This has helped ensure the Firm's longevity.

Jardines' long commitment to its many thousands of employees through the provision of resources, training and encouragement across different and

often challenging markets has ensured a rich diversity of talent and skill across the Group. It remains as committed as ever to attracting and retaining the right people.

Jardines today has excellent market leading businesses, each enjoying a strong financial position and having a clear strategy for growth. Market knowledge and keen foresight remain important, the ability to innovate is crucial, and a determination to see the job through remains a hallmark of the Group's businesses. Jardines is not afraid to go against the flow and take calculated risks, but this is always balanced by prudent financial management.





A Market Leader Today

Jardine Matheson has established a portfolio of focussed companies that are at the forefront of their chosen markets; each well financed and possessing sound growth prospects.

Henry Keswick
Chairman
Jardine Matheson Holdings Limited

Today, Jardines comprises a dynamic group of companies with extensive operations across Asia, and in some cases the world. The Group's strategy is to build its businesses into market leaders, each with the support of Jardines' extensive knowledge of the region and its long-standing relationships. This way of doing business still reflects the core values and characteristics of the founders of the Firm.

Jardines' business interests include: Jardine Pacific, Jardine Motors Group, Hongkong Land, Dairy Farm, Mandarin Oriental, Jardine Cycle & Carriage – through which the Group's interest in Astra is held – and Jardine Lloyd Thompson. The Group also has strategic interests in other entities, such as a 20% stake in investment bank, Rothschild.



Within Jardine Pacific we see a number of Jardines' long-standing businesses, such as Jardine Engineering Corporation and Jardine Shipping Services. There are also more contemporary interests that are in step with Asia's consumers, such as Pizza Hut restaurants in Hong Kong and Taiwan and Jardine OneSolution's IT services. Other Asian interests include Jardine Aviation Services, Jardine Schindler and Gammon.





Jardine Motors Group



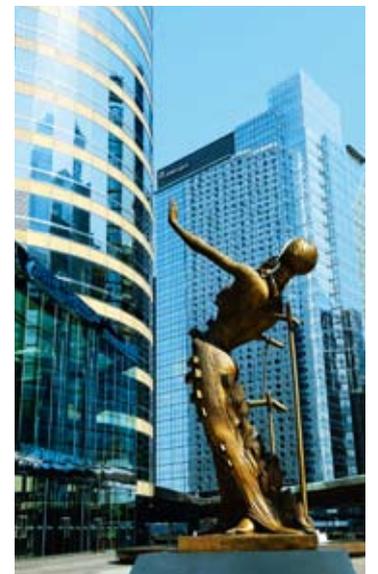
Jardine Motors is engaged in the distribution, sales and service of motor vehicles, with an emphasis on luxury marques. Through Zung Fu it has held the Mercedes-Benz franchise in Hong Kong for over 50 years achieving the highest market penetration in the world for the brand. Zung Fu is also actively developing the market in Southern China with a chain of Mercedes-Benz dealerships. In the United Kingdom, Jardine Motors is one of the country's largest independent dealership groups with a portfolio of specialist franchises that include Aston Martin, Audi, Bentley, BMW, Ferrari, Jaguar, Maserati, Mercedes-Benz and Porsche.

Hongkong Land



Hongkong Land, where the Group's relationship stems back to 1889 when it was founded by Sir Paul Chater and William Keswick, is a leading property investment, management and development group. Since its formation, Hongkong Land has been a major player in Hong Kong where it has developed a unique portfolio of some five million sq. ft of prime office and retail space. Its buildings have a reputation for quality, both in terms of physical fabric and management. Hongkong Land is a listed company in which the Group currently holds an interest of 47%.

Hongkong Land's strategy of broadening its commercial business regionally in recent years has led to the development of significant properties in Singapore and further interests in Vietnam. Its hallmark of quality is also being recognized in the residential market, and its developments have been well received in Hong Kong, mainland China, Macau and Singapore, where it also owns a 77% stake in Singapore residential developer MCL Land.



Dairy Farm

can trace back its origins to the nineteenth century when Scottish surgeon Sir Patrick Manson embarked on a venture to improve the health of the Hong Kong community. He began breeding cattle to ensure a daily supply of disease-free fresh milk at an affordable price. The company expanded into the production of dairy products and ice, and then into food retailing. Acquired by Hongkong Land in 1972 and relisted in 1986, the Group's shareholding in Dairy Farm is now 78%. In the early twenty-first century Dairy Farm has established itself as one of the region's leading retail chains with the goal of satisfying the needs of Asian consumers for wholesome fresh food, and consumer and durable goods.

It has a significant presence in Hong Kong, Taiwan, Malaysia, Singapore and Indonesia, and a growing presence in mainland China, India and Vietnam. Dairy Farm operates supermarkets under the banners of Wellcome, Jasons, Shop'n'Save, Cold Storage and Hero; Giant hypermarkets; health and beauty stores under Mannings and Guardian; as well as 7-Eleven convenience stores. It also has a successful restaurant affiliate, Maxim's, in Hong Kong and mainland China and IKEA furniture stores in Hong Kong and Taiwan.



JARDINE LLOYD THOMPSON Group plc

Jardine Lloyd Thompson is a leading London-based risk management adviser and insurance and reinsurance broker. Jardines has operated insurance broking businesses in Asia from its earliest days – the Canton Insurance Company was first established in 1836. Jardine Insurance Brokers was formed in 1972, and was listed on the London Stock Exchange in 1991. The

subsequent merger with Lloyd Thompson in 1997 and a series of acquisitions have made it one of the largest European headquartered firms of its type. Jardines now has a 31% shareholding. In recent years Jardine Lloyd Thompson has also expanded into employee benefit administration services and related consultancy advice.





The Mandarin hotel in Hong Kong took on the mantle as one of Asia's leading hotels soon after opening in 1963. Later in 1973, as part of the Hongkong Land group's hotel interests, it was joined by world-renowned The Oriental hotel in Bangkok, and the Mandarin Oriental Hotel Group was born. Listed in 1987, it is now 74% owned by Jardines. In the late 1990s, Mandarin Oriental began its current international expansion programme with the goal of reaching 10,000 rooms.

Mandarin Oriental's hotels in operation or under development now include London, Paris, Geneva, Munich, New York, Washington D.C., Boston, Dallas, as well as Beijing, Tokyo, Taipei, Hong Kong, Singapore and Jakarta in its Asian heartland. Mandarin Oriental is being recognized today as one of the leading global luxury hotel groups, providing exceptional guest satisfaction in each of its properties.



Jardine Cycle & Carriage



Jardines first acquired an interest in Cycle & Carriage in 1992. Over time the shareholding was increased until it became a subsidiary in 2002, and is now 64% held. Its name was changed to Jardine Cycle & Carriage in 2003 in recognition of the regional role it played for the Group. Cycle & Carriage was founded by the Chua brothers in Kuala Lumpur as a general store in 1899, but they soon recognized the potential of transport as a business opportunity. The success of Cycle & Carriage, which has been based in

Singapore since 1926, became inextricably linked to the evolution of the motorcar. Jardine Cycle & Carriage is now a leading Singapore-listed holding company with motor trading interests in Singapore, Indonesia and Malaysia and an interest of just over 50% in Astra International, one of Indonesia's finest conglomerates.

Listed in Indonesia, Astra is the largest independent automotive group in Southeast Asia with a significant share of the Indonesian motor

vehicle and motorcycle markets. It also has major interests in agribusiness, heavy equipment, mining contracting, financial services, information technology and infrastructure.





Jardine, Matheson & Co (JM & Co) is formed by Scots William Jardine and James Matheson on 1st July in Canton.

怡和

JM & Co inherits the title EWO – ‘the state of happy harmony’ – from the hong merchant Howqua’s firm.

The Company opens its office in Shanghai where it purchases Lot No. 1. Further offices follow in Canton, Amoy, and Foochow.



JM & Co inaugurates steamer cargo line from Calcutta to Far East.



JM & Co opens office in Yokohama.



JM & Co opens Woosung Railroad at Shanghai.

1832

1835

1841

1842

1844

1848

1855

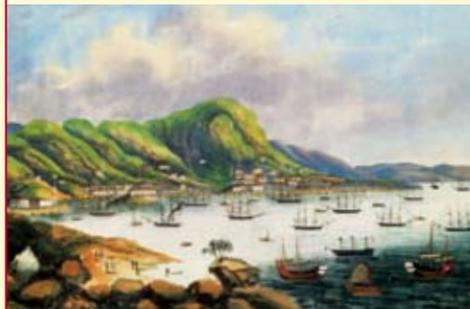
1859

1864

1876

1879

JM & Co purchases first plots of land in Hong Kong at East Point for £565.



The Firm takes delivery of its first steamship *Jardine*, staying ahead of the competition.



The Firm’s London operations at 3 Lombard Street are renamed Matheson & Co on 31st December 1847.

JM & Co moves main office from East Point to Central Hong Kong.

JM & Co establishes the first ice-making factory in Hong Kong, later to be amalgamated with Dairy Farm.

JARDINE MATHESON 175TH ANNIVERSARY

JM & Co moves Hong Kong operations offices from Jardine House to World Trade Centre. JM & Co makes major investment in Transport Trading Inc in Saudi Arabia (sold in 1995).

JM & Co returns to mainland China after 25 years and opens representative office in Beijing, followed by offices in Shanghai and Guangzhou.



JM & Co opens first 7-Eleven convenience store in Hong Kong.

In the face of severe economic challenges JM & Co and Hongkong Land take steps to reduce debt and cut costs.



Hongkong Land completes Exchange Square and pays its first substantive dividend in three years.

1975

1976

1979

1980

1981

1982

1983

1984

1985

1986



JM & Co acquires Gammon Hong Kong Limited (50% sold in 1983) and 75% of Zung Fu Co Ltd.

Maxim’s Caterers establishes Beijing Air Catering Company Ltd as the first foreign joint venture in mainland China after the start of the open door policy. Jardine Schindler follows with first industrial joint venture.

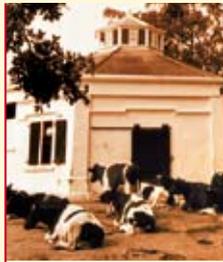


JM & Co celebrates its 150th anniversary and establishes the Jardine Foundation educational trust and the Jardine Ambassadors programme.

Jardine Matheson Holdings Limited (‘JM’) formed as the Group’s new holding company incorporated in Bermuda. Decision to withdraw from ship owning activities.

Hongkong Land demerges and lists Dairy Farm and Mandarin Oriental. Jardine Strategic Holdings Limited (‘JSH’) formed to acquire all JM’s and Hongkong Land’s remaining interests in Hongkong Land, Dairy Farm, Mandarin Oriental and JM.

JM & Co pioneers the first sugar mill in Hong Kong, and helps establish Hong Kong Tramways.



The Dairy Farm Company established with 80 head of cattle.

JM & Co opens the first spinning and weaving factory in Hong Kong, laying the foundation for a successful industry for the Territory.



British & Chinese Corporation ('BCC') is legally formed by JM & Co and HSBC for joint investment in China's railway system.



BCC signs a contract for the construction of the Kowloon to Canton railway.

JEC installs its first lift in mainland China at Tientsin, and first Schindler lifts in Hong Kong in 1931.

World War II and military forces. The government all the Far East 1941 mainland Hong Kong and interned Prisoners of War.

1881

1884

1886

1889

1897

1898

1899

1906

1907

1923

1930 - 1931

1939

Indo-China Steam Navigation Company formed by Jardines.

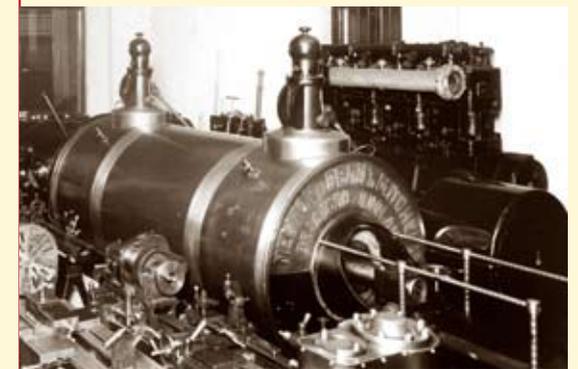


Sir Paul Chater, in partnership with JM & Co, forms Hongkong Land.



The Chua brothers found Cycle & Carriage in Kuala Lumpur, and subsequently move to Singapore in 1926.

JM & Co becomes a limited company.



The Jardines ('JEC') in providing and services infrastructure Hong Kong.

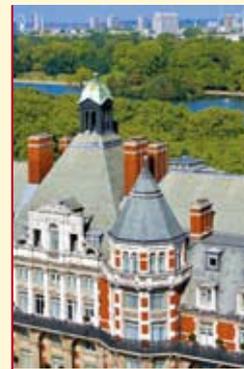
TIMELINE

Jardine Pacific ('JP') formed to bring together JMH's trading and services operations in a coherent structure and create larger business units.

Jardine Insurance Brokers floated on the London Stock Exchange and JMH's interest reduced to 63%.



JSH acquires a 16% stake in Cycle & Carriage, a Singapore-listed group with interests in motor vehicles and property.



Mandarin Oriental purchases the Hyde Park hotel in London.

JSH acquires a 20% stake in Tata Industries in India and an 8% stake in Asia Commercial Bank in Vietnam.

JMH agrees to exchange its 50% interest in Jardine Fleming for a shareholding in its joint venture partner, Robert Fleming, which gives the Group a total holding of 18%.



Dairy Farm acquires two Giant hypermarkets in Malaysia that form the foundation for its regional expansion.

1987

1988

1990

1991

1992

1994

1996

1997

1998

1999

2000



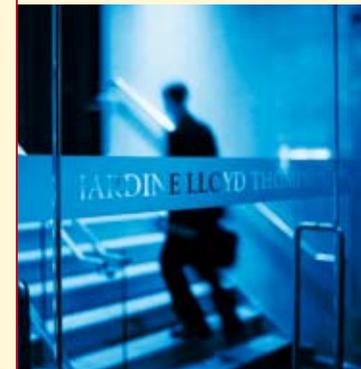
Pizza Hut franchise in Hong Kong taken by Jardines.

JMH and four other listed Group companies arrange primary share listings on the London Stock Exchange, in addition to their Hong Kong listings. The Hong Kong listings withdrawn in the mid-1990s and the Asian share trading moves to Singapore.

Astra lists on the Jakarta and Surabaya stock exchanges.



Jardine Fleming's funds under management reach US\$22 billion.



Jardine Insurance Brokers merges with Lloyd Thompson to form Jardine Lloyd Thompson, with JMH holding 34% of the merged entity.

Hongkong Land acquires first property interest in Beijing.

Cycle & Carriage 31% stake. Mandarin Oriental, Rafael, foothold in America expansion. Hongkong Land, Raffles, of major. The Group Fleming.

World War II commences
 Many staff members
 fight in the
 The British
 military requisitions
 firm's ships. In
 many staff in Hong
 Kong and Shanghai
 are killed or become
 prisoners of War.



JM & Co is one of the first companies to resume business in Hong Kong and Shanghai after the war, and has also re-established business in Japan by the summer of 1947.

JM & Co listed on the Hong Kong Stock Exchange.



Dairy Farm acquires the Wellcome grocery chain in Hong Kong and develops it into a leading supermarket chain.



JM & Co moves head office from Jardine House to Connaught Centre (renamed Jardine House in 1989).

1900 – 1945

1947

1954

1957

1961

1963

1964

1970

1973

1974

Jardine Engineering Corporation is formed to play a large part in providing machinery, equipment and services for the growing infrastructure developments in Hong Kong and mainland China.

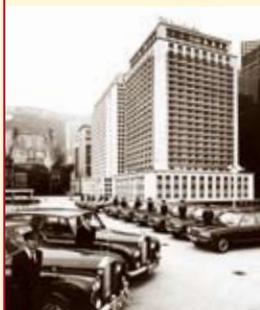
JM & Co is forced to close its operations in mainland China and leaves the country along with all other foreign firms.



Old Jardine House in Pedder Street is replaced by new Jardine House.

PT Astra International commences business as a trading company in Indonesia.

The Mandarin hotel opens in Hong Kong.

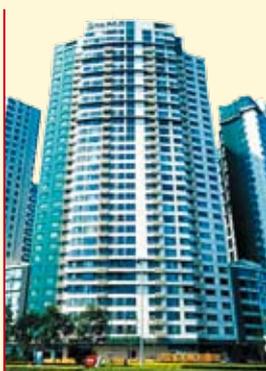


Jardine Fleming & Co Ltd, Asia's first home-grown merchant bank, opens for business.

JM & Co acquires Theo H Davies in Hawaii (remaining interests sold in 2001). Following the acquisition of The Oriental hotel in Bangkok, the Mandarin Oriental Hotel Group is formed.



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 ...at
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A Hongkong Land joint venture begins developing Central Park, a residential complex in Beijing.



MINDSET, a mental health charity spearheaded by the Jardine Ambassadors, established in Hong Kong as a focus of Group philanthropic activities.

Partial offer for Cycle & Carriage increases JSH's interest to over 50%, and the company subsequently changes its name to Jardine Cycle & Carriage Limited ('JC&C').



Hongkong Land acquires a 77% shareholding in MCL Land, a Singapore-listed residential property developer as part of the development of its residential capabilities.

JMH produces a record underlying profit in 2006 of over US\$500 million.

2000

2001

2002

2005

2006

2007

JC&C acquires initial stake in Astra International.

Mandarin Oriental acquires The Oriental Group, gaining important assets in Europe and North America as a first step in a major expansion programme.

Hongkong Land develops One Raffles Link as a prelude to a series of investments in Singapore.

JM's interest in Robert Bosch sold for US\$1.2 billion.



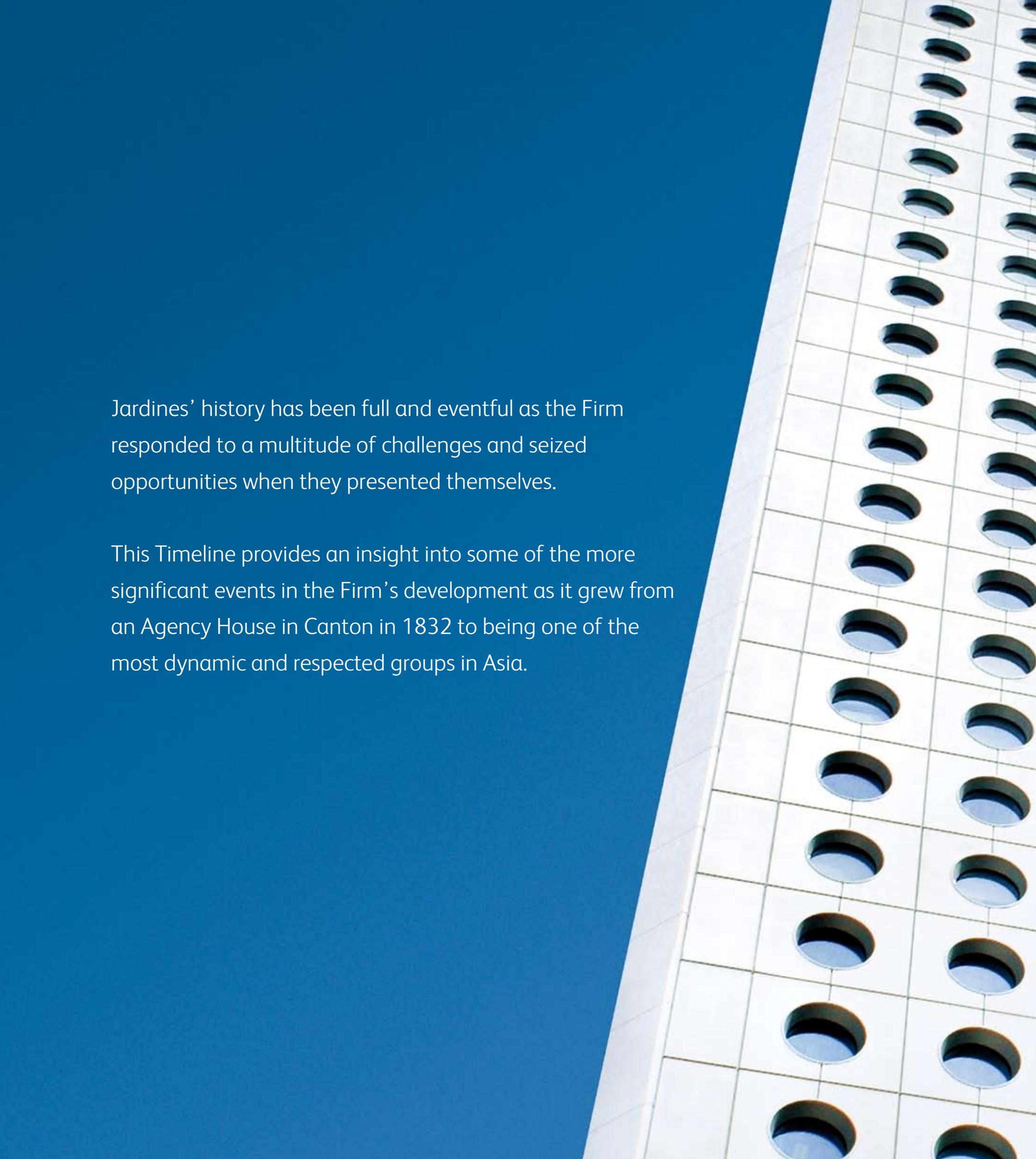
JSH acquires a 20% shareholding in Rothschilds Continuation, rekindling a relationship that began in 1838.



JSH holds a 53% interest in JMH, 47% in Hongkong Land, 78% in Dairy Farm, 74% in Mandarin Oriental, 20% in Rothschilds Continuation and 64% in JC&C, which itself holds just over 50% of Astra. JMH owns 80% of JSH.

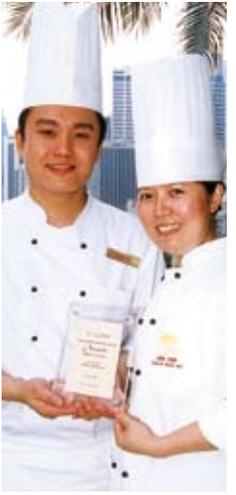
Jardines marks its 175th anniversary





Jardines' history has been full and eventful as the Firm responded to a multitude of challenges and seized opportunities when they presented themselves.

This Timeline provides an insight into some of the more significant events in the Firm's development as it grew from an Agency House in Canton in 1832 to being one of the most dynamic and respected groups in Asia.



At Jardines, Performance counts. So does having The Right People. People with Energy and an Enterprising spirit. People who can actively embrace change, put plans into action and in turn drive growth.



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